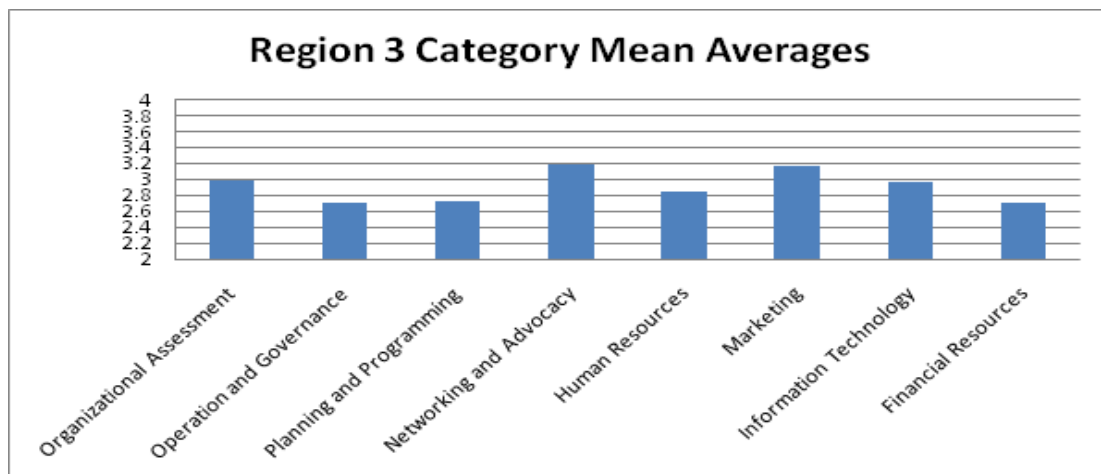


## Chapter 9 – Northwest IN: Region 3 Findings

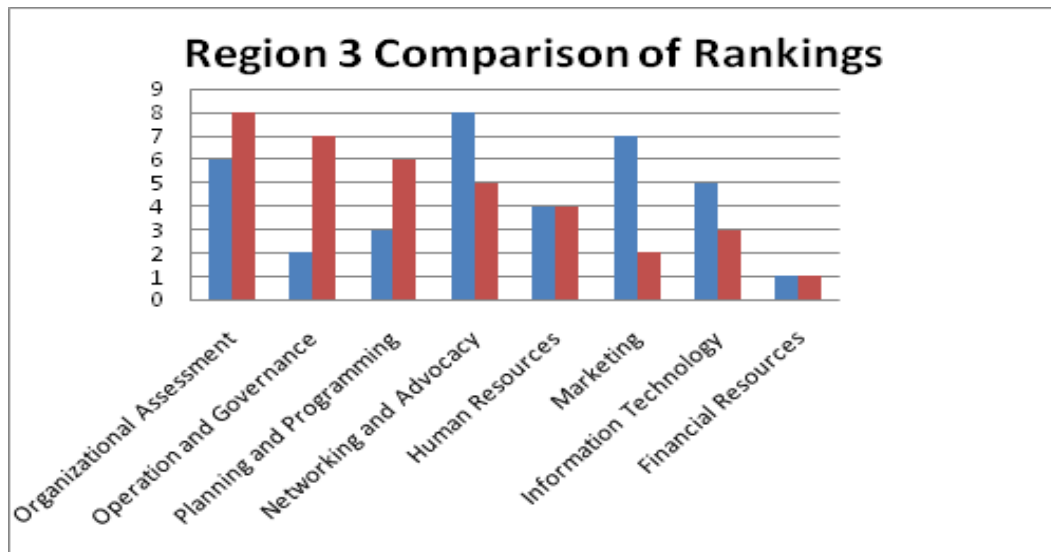
Region 3 is the northwestern part of the state and it includes 17 counties<sup>1</sup>. The largest county among these is Lake County, with a census population of 484,000. The major metropolitan area is the Chicago metro area and the largest major city is Gary, Indiana. This region is the home of [Chesterton](#), [Crown Point](#), [Dyer](#), [East Chicago](#), [Hammond](#), [Griffith](#), [Highland](#), [Hobart](#), [Merrillville](#), [Michigan City](#), [Munster](#), [Portage](#), [Schererville](#), and [Valparaiso](#), major municipalities in Region 3. The region is geographically flat, mostly farmland, and economically driven by steel mills and other industry.

When it comes to nonprofits and their responses to this assessment, the Northwestern region has a slight imbalance of faith-based and community-based organizations that responded. There are 47.1% of faith-based organizations that responded and 52.9% that identified themselves as community based. Out of the 105 respondents, 17 of them are from Region 3. These nonprofits serve the target groups of women, men, youth, and families on average. The significant services provided are mental health services and community development. According to the data, the common services provided are financial services, jobs, food and inmate care. There are other notable services that ranked slightly lower which were community education, housing, and disaster services.



**Graph 9.1:** Shows the categorical mean averages of Northwest Indiana. All scores on are a scale of 0-4 with a higher score reflecting a higher attainment of capacity benchmarks.

<sup>1</sup> Lake, Porter, La Porte, Newton, Jasper, Benton, Carroll, Cass, Clinton, Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke, Tippecanoe, and White



**Graph 9.2:** Shows the comparison of the rankings between the categorical scores from the survey sections and question 10.1 in which respondents were asked to rank the areas of capacity from least challenging to most challenging using numbers 1-8. A higher number reflects either a higher capacity or a perceived higher capacity.

## Ch. 9.1 – Strengths

The results indicate that out of the eight organizational capacity areas, the Northwest Region respondents to the survey have the highest capacity in Networking and Advocacy. Of these questions, the Region only scores below 3.0 for question 5.4 reflecting that the reported organizations are not associated nor receive mentoring support of other similar organizations at a regional, national, or international level. This makes sense as most grass roots and faith-based organizations are not apart of a larger formal support network that continually builds their professional and organizational capacity. For the smaller faith-based that are connected through a formal organizational structure, there is very little financial support or professional development support provided for organizational growth. Further, it makes greater sense that the respondents from grassroots and faith-based groups would collaborate with government as their organizations have the existing relationships with hard to reach vulnerable population and are well positioned to meet their needs. As it relates to advocacy, these types of organizations are knowledgeable of the needs of their constituents and are also in a better position to advocate for services. Often times, these smaller organizations are places where practitioners and researchers can learn in depth about the complex problems that these organizations were created to

address. If you review Graph 9.2, it indicates that the respondents recognize that Advocacy and Networking as their strong point as they ranked it 5<sup>th</sup> as their least challenging.

Marketing is the respondent's largest strength which differs little from other responded in other regions of the state according to categorical responses to questions on the survey. The highest scores came for question 7.3 reflecting that these organizations have a good reputation in their community and question 7.1 showing that the nonprofits are guided by a clear mission and vision that is regularly communicated to staff. In a brief look at the responses to question 1.2 asking participants to provide their organization's mission statement, it showed that most of the organizations have well-crafted, informative mission statements. This is a necessary step in branding their nonprofit, and hopefully it reflects a high capacity to speak about their organizations in a way that will connect with clients, volunteers, donors, and the community. However, respondents when asked to rank their strengths in Marketing, they ranked it as their second most challenging as seen in Graph 9.2. This disparity between respondent's category score and self report ranking might be due to respondent's ideas of what is meant by marketing.

## **Ch. 9.2 – Challenges**

The Northwest region indicates in both their category and self-reported responses that they have a significantly low capacity in Financial Resources. This consistency of low scores demonstrates that there is a need for support in this area from respondents, and further more, these nonprofits are aware of their weakness. In reviewing the questions asked in this category, it is understood that financial resources is means more than an organization lacking sufficient funding. The questions acknowledge other elements that these nonprofits may struggle such as poor capacity to manage finances, maintain a budget, or diversify funding sources. It puts the organization at risk for losing their 501(c) 3 status, falling victim to fraud, or closing down their operations completely. A sound understanding of financial management is critical to these organizations, especially those who manage government funding. It is

challenging even for the larger organizations to keep track with of varying funding cycles, funding and reporting requirements, and securing sustainable and diverse funding sources. Understanding financial management and building sound and transparent relationships with the funders would also improve all of the Region's respondents' ability to manage funds more effectively and ethically.

Other challenging areas appear to be Operations and Governance, as the second weakest area, followed by Planning and Programming which is third. These two organizational capacity building areas are inter-related. It is extremely important that these organizations have board members that understand their roles and responsibilities of serving the organization. Once a board understands its roles and responsibilities, it is equipped to utilize their knowledge, skills, and abilities to help the organization plan and provide effective programs to its constituents. It is interesting to note here that there are disparities between the category rankings and the self-reported rankings as the respondents believe themselves to have high capacity in these areas. The category of Operations and Governance is self-reported as seventh, and Planning and Programming is reported sixth. This indicates that the respondents from this region may have overestimated their level of achievements in these areas.

Human Resources and Information Technology as an organizational capacity building area appears to be a challenge and the categorical questions as well as the self reported indicate a balanced response of low capacity. Information technology is not far ahead of Human Resources as its category score is fifth, compared to the respondents self-reporting it to be third. This information indicates that the region's respondents may have slightly underestimated their abilities in this area but it still remains a lower organizational capacity area that needs support. It is understandable that grassroots and faith-based organizations would be challenged in human resources as it is typical to have fewer staff members, board members tend to need more capacity building in their roles as responsibilities as the organization's governance, and there is varying degrees of volunteer support and management. Information technology is also often a challenge as these organizations do not always have the financial

support to maintain computers, websites, compete with the constant advancement of technology, have contracted regular computer maintenance, or continual development training on computers usage for their staff. The larger nonprofit organizations tend to have the benefit of being apart of larger networks in which they may have information technology support or access to IT professionals on their boards.

### **Ch. 9.3 – Solutions**

Any nonprofit investing in their own capacity building to improve their organization must begin with their board. Although financial resources rank higher in need for respondents, gaining commitment and educating the board on their roles and responsibilities are key to addressing the other needed organizational capacity areas, especially human resources and programming and planning. The board must be willing to go through the changes needed to improve their organization, be open and transparent, and be willing to invest their passion, skills, networks, and money in order for the organization to experience growth to meet its mission. In this region, there are various resources through the regional Indiana Nonprofit Alliance, local United Ways, Community Foundations, and nearby universities and libraries that host trainings on capacity building areas, especially governance. A nonprofit would need only to assess their needs, contact one of these resources and each resource has a professional contact that has experience in consulting nonprofits. Areas that respondents would need assistance would be organizational assessment, grassroots fundraising, board development, strategic planning, programming and evaluation and communication and marketing strategies.

As mentioned earlier, most of the challenges in finance were indeed due to lack of knowledge in managing a budget and knowing what financial systems and policies that need to be in place and the available resources to support their organizational capacity building needs. The respondents in this survey would need to invest in taking training or seeking a consultant that would be able to review their current financial system in order to help the organization better manage and acquire financial resources. In addition to development sound financial systems, the respondents need to develop a fund

development plan so that they may diversify their funding streams. If an organization is able to address their financial challenges, they can be better stewards of their organization's resources.

The smaller nonprofits and faith-based organization as mention normally have smaller staff members and limited financial capacity to operate. The importance of engaging volunteers into the day to day work of the organization is critical to the organization meeting its mission. In faith-based organizations, congregations can be a good source of untapped talent that can be utilized. The key is to engage the interest of the members of the congregation by assessing their volunteer needs, creating volunteer assignments, and have an experienced staff responsible for overseeing the congregation's volunteer program. In smaller organizations including faith, the organization may join volunteer match (online volunteer recruitment program), seek advice from the local united way, and market their services to those who would like to support their cause with time and money.

It benefits small FBCOs to partner with larger organizations with similar missions and values so that they may be able to make a larger impact in their community. Outside of this partnership, smaller nonprofit organizations must be willing to invest in effective networking. Effective networking in this context means to join and pay membership to the local chamber of commerce, participate on joint programs with other like minded nonprofit boards or advisory committees, and invest in continual professional development and read professional journals in the nonprofit core service areas. In addition to this, smaller nonprofit organizations need to be members of local and state wide alliances to stay in tune with continual development of the services they provide to their clients. In most cases, the respondents are members of alliances but shared that the outcomes of the meetings tend to not provide expected benefit to the community at large. The purpose of any alliance or coalition is to bring together like minded causes to solve problems through networking and advocacy. It is advisable to work with the leadership of these alliances to develop focus committees and action plans that will allow the meetings to have a purpose and outcome that will be beneficial to all members.

Most FBCOs know exactly who their target audience is, but many make their work more difficult because they try to be “everything to everyone.” This is challenging for an organization with such limited capacity human and financial capacity. The best way for these nonprofits to better serve their markers is to focus on a few core services and build partnerships and referral systems to further support their clients. To combat this, organizations can also build strategic partnerships in their Networking and Advocacy capacity. This will aid you in knowing who else is supporting what your organization is supporting as well as find more resources ( human and financial) to support your organization. In the case of faith-based organizations, there are various ways to market: social media, alliance groups, conferences, and meeting face to face with donors to discuss your organizations priorities. Smaller nonprofits and faith-based groups can also become experts in particular area (i.e. prisoner re-entry, youth programming, community/economic development) and market their consulting services to help professionals and researchers and students looking to learn more about a given area. This is helpful as it can be an income generator for a nonprofit organization and it makes the organization a viable partner for nonprofit leaders, government, and funders that may need the area of expertise.

## **Ch. 9.4 – Additional Capacity Building Resources**

Indiana Nonprofit Resource Network (INRN) West: [www.inrn.org/west/west.htm](http://www.inrn.org/west/west.htm)

Legacy Foundation: [www.legacyfoundationlakeco.org](http://www.legacyfoundationlakeco.org)

Greater Lafayette Community Foundation: [cflaf.org](http://cflaf.org)

Indiana University Northwest Nonprofit Institute: [www.iun.edu/~npi](http://www.iun.edu/~npi)

Indiana Youth Pro: <http://www.indianayouthpro.org/>

Purdue University Calumet/Northwest Indiana Small Business Development Center: [www.nwisbdc.org](http://www.nwisbdc.org)

Grants, Inc.: [www.grantsinc.com](http://www.grantsinc.com)

Community Organizations for Families and Youth (COFFY): [www.coffy.org](http://www.coffy.org)

Purdue Extension Services: [www.extension.purdue.edu](http://www.extension.purdue.edu)

Notre Dame University: <http://business.nd.edu/mna/>